UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

Nichia Corporation, )

Plaintiff, )

v. )No. 3:06-CV-0162(MMC)

Seoul Semiconductor, Co., Ltd., )

Seoul Semiconductor, Inc., )

Creative Technology, Ltd., )

Creative Labs, Inc., and )

Creative Holdings, Inc., )

Defendants. )

_____)

VIDEOTAPED DEPOSITION

OF JEONG-JU KIM

Taken on behalf of Defendant SEOUL SEMICONDUCTOR, LTD., at the law offices of Shin & Kim, Ace Tower, 4th Floor, 1-170, Soonhwa-Dong, Chung-ku, Seoul 100-712, Korea, commencing at 9:14 a.m., Wednesday, April 11, 2007, pursuant to Notice.

BEFORE: ELSIE TERADA, CSR NO. 437

Certified Shorthand Reporter

Q What was your first job after completing your studies?

A I worked at LG Electronics air-con development department.

Q What did you do there?

A Well, I was in charge of the overall process, starting from the product design to the product sales.

Q How long did you stay in that position?

A Nine years and eight months, so approximately that would be ten years.

Q And when did you leave LG Electronics?

A It was at the end of November 2003.

Q What was your next job?

A I worked at NAMOTEK from that time, onwards.

Q When you joined NAMOTEK in November 2003, what was your position?

A It was general manager.

Q What were your responsibilities when you first joined NAMOTEK?

A I was in charge of development.

Q What was your next position at NAMOTEK?

A Director.

Q When did you become a director?

A I became a director in June 2006.

Q And are you still a director?

A Yes.

Q Do you have any other titles?

A Well, I'm in charge of overall responsibilities relating to sales, production, manufacturing technology, and component technology. And that also includes development.

Q Basically, everything but finance.

A That is excluding production, management, and purchase-related responsibilities.

Q What does NAMOTEK do?

A NAMOTEK largely produces BLUs, which is an abbreviation for backlight unit.

Q What is a backlight unit?

A Maybe if I could use some materials to help in explaining what a BLU is.

Q Why don't you hand this to me.

MS. PARKER: Why don't we have the court reporter mark this as Exhibit -- they're the same, right? 247.

(Exhibit No. 247 was marked for identification.)

Q (BY MS. PARKER): Mr. Kim, I show you what's been marked as Exhibit 247, which is a color document. It has "NAMOTEK" in the upper right-hand corner. First, could you tell us what this document is?

A Well, the BLU, what it is, is, since the LCD

Q (BY MS. PARKER): You can answer the question.

A 100 percent. And that's for the entity that is in charge of the windows, that is a subsidiary of NAMOTEK.

Q And what is the facility -- what do the facilities in China do for NAMOTEK?

A It's in charge of assembling the BLUs and supplying it to the customers.

Q Does NAMOTEK manufacture any BLUs in Korea?

A Yes.

Q Other than Korea and China, does NAMOTEK manufacture BLUs in any other country?

A No.

Q Is NAMOTEK a publicly listed company?

A Yes, it is.

Q Now, let's get back to our discussion of the backlight units. I believe you indicated that it provides the light source for the LCD; is that right?

A Yes.

Q What is an LCD?

A Well, LCD, well, you take a glass, and you inject liquid crystals in that glass and use it for -- and use a color filter for reproducing color on the display.

Q What are LCDs used in?

A Well, in the case of LCD, they are deployed on handsets, it's also used in PN -- PN --

A (In English) PMP.

THE WITNESS: -- PNP (sic) and for many other applications.

Q (BY MS. PARKER): Are BLUs, backlight units, used for anything other than as a component in a liquid crystal display unit?

A No.

Q How many BLUs does NAMOTEK manufacture a month?

A At present, around 3 million per month.

Q Does NAMOTEK manufacture LCDs?

A No.

Q Does NAMOTEK sell its backlight units to anyone other than LCD manufacturers?

A No.

Q Now, I take it you're familiar with light-emitting diodes?

MR. SNADER: Object -- objection; form.

Q (BY MS. PARKER): You can answer the question.

A Yes.

Q Are you familiar with side-view LEDs?

A Yes.

Q What is a side-view LED?

A You can consider that as another light source inserted into a backlight unit.

Q If you could look at Exhibit 247, which was the color presentation of an LCD and a BLU; do you see that?

A So you want me to --

Q Could you show us on that, on Exhibit 247 -- strike that. On Exhibit 247, is the LED depicted?

A Yes. Next to the light source, LED is indicated on that material, in the parentheses.

Q Could you tell us how a BLU is put together, and where, in that process, the LED is placed?

A Yes. In order to help with my explanation, I've brought along some sample BLUs, so I'll show it to you.

MS. PARKER: Let's mark one as Exhibit 249, which is a model -- not a model -- an actual BLU; is that right?

A Yes.

(Exhibit No. 249 was marked for identification.)

DEPOSITION OFFICER: Where would you like me to mark this? On top?

Q There is a side, of the top diagram, that's indented. Shall we call this the back?

MR. SNADER: Objection to form.

THE WITNESS: Yes, this is the back area.

Q (BY MS. PARKER): Okay. And the flat line is the front area?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): And which side has the window?

MR. SNADER: Objection to form.

THE WITNESS: By "window," what would you mean?

Q (BY MS. PARKER): Look at the picture right below the top picture. There's -- there's an oval shape in the middle of that picture; do you see that?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): Okay. And is that a window or sort of a recess where a light is emitted from?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): And is that on the front of the LED?

MR. SNADER: Objection to form.

THE WITNESS: Yes, it does.

Q (BY MS. PARKER): And where are the electrode leads on the diagram, on the top picture?

A It's located on the -- they are located on the sides, to the left and right of the body.

Q And earlier I believe you testified that in this side-view LED, these are facing backwards; is that correct?

MR. SNADER: Objection to form.

THE WITNESS: Sorry, they are to the sides.

Q (BY MS. PARKER): Okay. And are they facing in a -- are they facing towards the window, or are they facing away from the window?

MR. SNADER: Objection to form.

THE WITNESS: I'm not sure -- I'm not quite sure what you mean by against the window, facing away from the window.

Q (BY MS. PARKER): Okay. Let's look at the picture, to the right of the picture -- let's see. There's three rows of diagrams. There is the top diagram we were discussing. There's the diagram immediately below it, that has the window. And if you look at the diagram to the right, is the electrode lead depicted in that diagram?

A Yes.

Q Where is it depicted?

A It is depicted on the right-hand side.

Q It's the L-shaped object?

INTERPRETER KIM: L-shaped?

MS. PARKER: Uh-huh.

THE WITNESS: Yes.

Q (BY MS. PARKER): And which is the side that would be facing into the light guide plate in NAMOTEK's backlight unit?

MR. SNADER: Objection to form.

THE WITNESS: It's the window area.

Q (BY MS. PARKER): Okay. And is the electrode lead facing towards the window side or away from the window side?

MR. SNADER: Objection to form.

THE WITNESS: They are located at the rear of the left- and right-hand side of the window.

Q (BY MS. PARKER): And are the electrode lead in the 902 side-view series facing away from the window?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): And when NAMOTEK places the LED in its backlight unit, is there any benefit to the LED being -- facing away from the window?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): What is that benefit?

A Well, when the LED is stuck onto the light guide plate, if we have electrodes at the front, we cannot completely stick the LEDs to the light guide plate, so it is more advantageous to have the electrode leads facing away from the window.

Q So it's a benefit in terms of the soldering process?

MR. SNADER: Objection to form.

THE WITNESS: Well, it's not necessarily an advantage in the soldering process.

Q (BY MS. PARKER): What is it an advantage to?

A Well, when we assemble a BLU, we have to stick the LED to the light guide plate, and that's where the advantage is in.

Q Okay. And are there any other advantages in addition to the ability just sticking it on the light guide plate?

A No.

Q When you are placing the LEDs on the light guide plate, do you want to maximize the light that is emitted from the LEDs?

A Yes.

Q And how do you do that?

A Well, we stick it on, by hand.

Q And are there benefits to doing it as close to the edge as possible?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): And what are those benefits?

A Well, it increases the brightness.

Q Now, I believe you testified a few moments ago that when you insert the LEDs into the backlight unit, they cannot be seen; is that right?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): Why is that?

A Well, in order to attach the BLU to the LCD panel, we place what we call a black tape onto the --

INTERPRETER KIM: Excuse me.

(Discussion held between Interpreter Kim and the Witness.)

THE WITNESS: We plaster a black tape along the rims of the FPCB, and in the process, the black tape, it serves to cover up the LEDs, so it's hidden from view.

Q (BY MS. PARKER): And who do you sell the backlight units to?

A We sell to LCM manufacturers.

Q LCM manufacturers?

A (In English) Yeah.

Q What's an LCM manufacturer?

A LCM manufacturers, they are the ones who take a panel and enable that panel to display colors on it.

Q Okay. And when you sell your backlight units to LCM manufacturers, can they see the LEDs inside your backlight unit?

A No, they cannot.

Q Could they open up the backlight unit to see the LEDs?

A They can do that.

Q Would they do that, typically?

A No, they don't.

Q Why not?

A Because the moment that they open up the BLU, that BLU being rendered defective.

Q Do you know to whom the LCM manufacturers sell their LCD modules?

A On occasion I would know; on others I wouldn't.

Q And do you know whether the LEDs inside your BLU could be seen by the customers of the LCM manufacturers?

A Can I have the question once again?

MS. PARKER: Sure. I'll have the reporter reread it.

(The record was read by the reporter as follows:

"Q And do you know whether the LEDs inside your BLU could be seen by the customers of the LCM manufacturers?")

THE WITNESS: Well, I know that they may or may not be able to see that, so it could work both ways.

Q (BY MS. PARKER): How could they see the LEDs inside the BLUs that are incorporated into the LCDs?

A Oh, they can -- well, in normal cases they wouldn't be able to see that, but then once that product has been marked as defective, then they may be able to look inside.

Q But in normal circumstances they would not be able to see the LEDs?

MR. SNADER: Objection to form.

THE WITNESS: Sure.

Q (BY MS. PARKER): Could you describe how a BLU is incorporated into a liquid crystal display unit?

A Well, if you look at this BLU, we have on the top surface, a protection sheet, which is there to prevent any impurities of foreign matters from entering

the BLU, and once you remove this protection sheet, then it gets placed directly onto the LCD panel.

Q And when the LCD panel is manufactured, the BLU at that point is attached to the module?

A Yes.

Q And looking at Exhibit 247, which is the drawing of an LCD module, could you describe where the backlight unit is, and then what the different components of an LCD module are?

A The BLU sits on the rear surface of the LCD. Well, my understanding of the components of the LCD is that the liquid crystal will be injected into the panel, through a TFT array, on top of which the color filter will go.

Q And approximately how many components or parts are there, in NAMOTEK's backlight unit?

A You could consider there to be around nine, plus-minus one.

Q Okay. And do you know how many parts or components there are, in a liquid crystal display module?

A I'm not quite sure about that.

Q Okay. But the BLU is just one of many components in the liquid crystal display model?

MR. SNADER: Objection to form.

THE WITNESS: Yes, it is.

Q (BY MS. PARKER): Approximately how many LEDs are in each backlight unit?

A It would be between three to five, in the case of BLUs for handsets.

Q And how big is an LED?

A By -- you are meaning -- you mean the size?

Q Yeah. What is the size of a side-view LED that goes into NAMOTEK's backlight unit?

A It's smaller than one grain of rice.

Q Can you see the individual features of a side-view LED with your naked eye?

MR. SNADER: Objection to form.

THE WITNESS: It would be difficult to do so.

Q (BY MS. PARKER): Have you ever looked at a side-view LED through a microscope?

A Yes.

Q And why?

A Well, I would take a hard look at it whenever we find, we discover a defective LED.

Q And in your current role, you've indicated that you worked with side-view LEDs; is that correct?

A Yes.

Q What work do you do with them?

A I'm in charge of deciding what LEDs we are

going to use to backlight, as a light source for the BLU.

Q How long have you been in charge of making those decisions?

A A little more than three years.

Q So, are you responsible for the purchase of the LEDs?

A No. Because the BLU has been developed.

Q Oh. You're in charge of making the initial decision as to what LEDs to use?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

MS. PARKER: Want to take a quick break, because I'm going to go into a new area and we've been almost an hour.

THE VIDEOGRAPHER: This would be the end of Tape 1. We're going off the record at 10:09 a.m.

(Recess from 10:09 a.m. to 10:18 a.m.)

THE VIDEOGRAPHER: This is start of Tape 2. We are on the record at 10:18 a.m.

Q (BY MS. PARKER): Mr. Kim, when I asked you what your current responsibilities were, I believe you also indicated sales; is that right?

A Yes.

Q Are you responsible for the sales of

NAMOTEK's backlight units?

A Yes.

Q What are your responsibilities in that regard?

A Well, I'm responsible for getting the orders in.

Q To whom does NAMOTEK sell its BLUs?

A We sell to LCM manufacturers.

Q How many different LCM manufacturers?

A Well, in Korea, it includes SDI and IDS. We also sell to VP's in foreign countries. And in China, we used to sell to ENE, but the business relationship with the ENE has been discontinued at the moment. And in Japan, we sell to Mitsubishi. And also VP, we sell to VPs in China, as a clarification.

Q Does NAMOTEK sell its backlight units to any company located in the United States?

A No.

Q All of NAMOTEK's customers are in Korea, China, or Japan; is that right?

A Yes.

Q How does NAMOTEK go about selling its backlight units?

A I don't quite understand the question.

Q Okay. Well, let's start with Samsung SDI.

You indicated that was one of your customers?

A Yes.

Q Where is Samsung SDI located?

A Samsung SDI is located in Yang San.

Q Is that in South Korea?

A Yes.

Q How does NAMOTEK sell its BLUs to Samsung SDI?

A Well, if you ask how we sell to them, well, we would make this product and sell it to them on an as-is basis.

Q What is meant by an "as-is basis"?

A Well, the way we make BLUs would be, we would purchase the components that make up the BLU, and then we will assemble those components, and then we would sell the finished BLU to the LCD manufacturers.

Q And that's true for Samsung SDI, as well as all the other LCD manufacturers that you listed?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): Do you know to whom Samsung SDI sell its products?

A For Samsung SDI, yes, I am aware.

Q And do you know who they are?

A Yes.

Q Do you know whether any of Samsung SDI's customers are located in the United States?

A That, I'm not sure of.

Q Okay. So, do you know if Samsung SDI sells any of its products in the United States?

MR. SNADER: Objection to form.

THE WITNESS: No, I do not know.

Q (BY MS. PARKER): Has Samsung SDI ever told you that they sell their products in the United States?

A No.

Q For the other customers of NAMOTEK, the other LCD manufacturers, do you know to whom they sell their products?

A Well, for Samsung SDI, I know who their customers are, but for the rest, I have no information.

Q Do you know if any of the other customers of NAMOTEK sell any of their products in the United States?

A No, I do not know.

Q Have any of the other customers of NAMOTEK ever told you that they sell products in the United States?

A No.

Q Is there any way you can tell from the products that NAMOTEK's customers incorporate your BLU

into, whether it could be -- whether it is sold in the United States?

MR. SNADER: Objection to form.

THE WITNESS: No.

Q (BY MS. PARKER): So, could NAMOTEK figure out what countries its backlight units eventually end up in?

MR. SNADER: Objection to form.

THE WITNESS: No.

Q (BY MS. PARKER): Does -- you also testified previously that you were responsible for making the decision about what LEDs NAMOTEK would use for the backlight unit; is that right?

A Yes.

Q So you're responsible for making the decisions at NAMOTEK, for what kinds of side-view LEDs to purchase?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): Why does NAMOTEK buy side-view LEDs?

A Well, to make a BLU.

Q As you previously explained to us?

A Yes.

Q By the way, where does NAMOTEK manufacture

its BLUs?

A In Korea we manufacture -- we manufacture the BLUs in Ilsan. In China, the facilities are located in Tianjin and Nam Kyoung, so altogether there are three places where the BLUs are manufactured.

Q How many LEDs does NAMOTEK purchase a month?

A Well, my guess is, it would be around one million units.

Q From whom does NAMOTEK buy its side-view LEDs?

A We buy from LED manufacturers.

Q Who are those?

A They would be -- they would include Nichia, Toyoda Gosei, Samsung Electromechanics, and Seoul Semiconductors. So that would be those that we buy from.

MS. KANG: The formal name for Samsung, it would be Samsung Electrics.

INTERPRETER KIM: Samsung Electrics. I make that correction.

Q (BY MS. PARKER): When you are making the decision about what kind of side-view LED to use, what do you look for?

A In general, it would be the thickness, the brightness, color coordinates, and voltage.

INTERPRETER WHANG: Just to clarify, rather than brightness, I think it's luminous intensity.

MS. PARKER: Could you just read those four factors again, please?

(The record was read by the reporter as follows:

"A In general, it would be the thickness, the brightness, color coordinates, and voltage.

"INTERPRETER WHANG: Just to clarify, rather than brightness, I think it's luminous intensity."

Q (BY MS. PARKER): Those four factors are all the factors that NAMOTEK considers when it's making its decision to purchase one LED over another?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): There are no other factors you consider?

MR. SNADER: Objection to form.

THE WITNESS: Well, additionally, we would prefer to have the LEDs whose leads are located on the front of the body as opposed to the back of the body because --

MS. KANG: It was reversed.

INTERPRETER KIM: Oh, sorry. Can I just make the correction?

MS. PARKER: Yeah.

INTERPRETER KIM: "Additionally, we would prefer to have LEDs that have the leads on the back of the body as opposed to the front of the body, because if we have the leads protruding frontways, then that could interfere in the soldering process, when we put the LEDs -- when we attach the LED onto the BLUs because the wings, they would be getting in the way.

(Discussion held between Interpreters Whang and Kim.)

INTERPRETER KIM: Can I correct myself? "Because when we have the leads located on the front side of the body, the leads rather than the wings would be getting in the way.

Q (BY MS. PARKER): And how does NAMOTEK evaluate the different factors it considers when it's making the decision which LED to purchase?

A I'm not quite sure what you mean by how we, quote-unquote, evaluate.

Q Do you look at any materials to make the decision which LED to purchase?

A Oh, as for the materials, if you look at the drawings or the pictures that are provided by the suppliers, those drawings define the luminosity and the thickness, so based on those factors, we would make the

purchase decision.

Q If you could turn again to Exhibit 160, which is the specifications for Seoul Semiconductors 902 series LED, and I take it NAMOTEK has purchased the 902; is that right?

A Yes.

Q Does NAMOTEK look at a company specifications when making the purchasing decision?

A Yes, we do.

Q And what aspects of those specifications do you look at?

A If you turn to page 13-2, there's the voltage and the luminous intensity.

Q That's in Chart No. 3?

A Yes. And if you turn to page 13-5, we have the color rank, so that's another thing that we refer to.

Q Is there anything else in the specifications that you look at, when making a decision which LED to purchase?

A And as I said again, whether the lead is located on the front or the back side of the LED body.

Q And if multiple manufacturers meet NAMOTEK's criteria for thickness, brightness, color coordinates, and voltage, how does NAMOTEK make the decision as to

which LED to purchase?

A Price.

Q Do you ever look at the aesthetic properties of the side-view LED, when you're determining which LED to purchase?

MR. SNADER: Objection to form.

THE WITNESS: Aesthetic?

Q (BY MS. PARKER): Aesthetic or the -- do you care how the LED looks?

MR. SNADER: Objection to form.

THE WITNESS: That's not the case.

Q (BY MS. PARKER): I mean, do you ever consider the shape of the LED, when you're determining which one to purchase?

A If you could be a bit more specific about what you mean by "shape"?

Q Would you care at all about the appearance of the LED, when you're deciding which one to purchase?

MR. SNADER: Objection to form.

DEPOSITION OFFICER: He's been writing on the exhibit.

MS. PARKER: It's all right.

THE WITNESS: The sole factors that I would consider, would be the thickness and also where the wings are located on the electrode leads.

location?

MR. SNADER: Objection to form.

THE WITNESS: Yes.

Q (BY MS. PARKER): Is there anything other than the functional aspects of the appearance that you care about, when you're examining the LED, to decide which ones to purchase for the backlight unit?

MR. SNADER: Objection to form.

THE WITNESS: Price and the ability to respond.

Q (BY MS. PARKER): What do you mean by "the ability to respond"?

A Delivery and, you know, the works.

Q What do you mean by the "delivery"? Can you just describe it a little more completely?

A Well, for example, you know when we are supposed to furnish samples to our customers, there would be a certain time limit or time line for doing that, let's say for one week. Then in order to meet that time line, it would be essential that we have all the components coming in; for example, like the LEDs coming in by the necessary due date, so, by delivery, I mean having all the things coming in at the right time.

Q Do you care whether the LED is pretty at all?

MR. SNADER: Objection to form.

THE WITNESS: No. That would not be of interest

to me at all.

Q (BY MS. PARKER): Do you run tests on the LEDs that you purchase?

A Yes, we do.

Q What types of tests?

A We would run tests on the luminous intensity and the VF, so we would be running tests on two items.

Q What is the purpose of the tests that you run for luminous intensity?

A Well, if you turn to page 13-2 of Exhibit 160, we have the chart for luminous intensity, and the specification determined here, is between the ranges of 800 and 900, so we run the tests to ensure that the LEDs, they fall within the spec, to see if the LED, they are out of spec or they fall within this range.

Q And what does luminous intensity test for?

A We just measure the luminous intensity.

Q How bright it is?

A Yes. Correct.

Q Okay. And the second test that you run is called an RF test; is that right?

A VF rather.

Q VF. What is that test?

A It's a test on the voltage.

Q And what is the purpose of that test?

A Well, there are certain voltage requirements dictated by our customers, and it is important that the LEDs, they meet the voltage -- the specified voltage range, because if the voltage range falls out of spec, then that can affect the brightness. So that's the purpose of carrying out the voltage test.

Q You've indicated in Exhibit 160, which are the specifications for Seoul Semiconductor's 902 series, what aspects of those specifications you consider; is that right? And you also testified that you occasionally purchase LEDs from Nichia; is that right?

MR. SNADER: Objection to form.

THE WITNESS: Yes. Yes.

Q (BY MS. PARKER): Have you ever purchased Nichia's 335 side-view LED?

A Yes.

Q Let me show you what's previously been marked as Exhibit 45, which are the specifications for Nichia's model NSCW335T side-view LED. Have you seen the specifications for Nichia's 335 LED before?

A Yes.

Q When did you see them previously?

A In my recollection, I think I saw this since

2005 -- no, 2004, I think.

Q Okay. And would you have looked at these specifications -- strike that. Why would you have looked at Nichia's specifications for its 335 LED?

A There are cases when we need to use Nichia's products on occasion, so that's why.

Q And what would those occasions be?

A There are cases when our customers, they will be specifying what particular LED we are to use.

Q And on some occasions they've specified Nichia's side-view LEDs?

A Yes.

Q And would you have reviewed Nichia's specifications as part of that process?

A Yes.

Q What aspects of those specifications for the 335 LED did you look at, when you were determining whether to purchase Nichia's LED?

A If you look on page 1 -- if you look on page 1, we have, next to the item No. 2, what is entitled "Voltage," so we will be looking at that, as well as the luminous intensity ranks and the color ranks.

Q Is there any other aspect of the specification of Nichia's 335 that you looked at, when

determining whether to purchase it?

A Thickness and, as I alluded to before, the location of the leads on the body.

Q And if the specification had no drawings but just technical information about the various factors you considered, would you be able to make a decision about whether to purchase Nichia's side-view LED?

A Well, I think I would be able to make that decision in that case because the quality, it would be a given. We would regard that as being guaranteed.

Q And why is that?

A I mean, I take it as a given because products that are of sub quality, they cannot be used at all, and they would be of no use. So just to reiterate, when I say quality, that is -- that basically means having the necessary reliability.

Q And what do you mean by "reliability"?

A Well, reliability basically would be the long-term life span. So if you exposed the product to a stress environment, whether the product itself would be able to survive.

Q If you turn to page 3 of Exhibit 45, the specifications for Nichia's 335 product, at the top, it says "Reliability."

A Yes.

trade shows?

MR. SNADER: Objection to form.

THE WITNESS: Well, they would present their spec sheets, because what we do is go and see.

Q (BY MS. PARKER): Do the LED manufacturers use pictures of their LEDs to market them?

INTERPRETER KIM: By "pictures," do you mean photos?

MS. PARKER: Uh-huh.

THE WITNESS: Well, I think that was the case, in my recollection, because the catalogs, they contain photos anyway.

Q (BY MS. PARKER): Do those photos of the LEDs influence your decision whether to buy a particular LED?

A No, that is not necessarily the case.

Q Is it ever the case?

A No.

Q In your industry, do the people who make the decisions about which side-view LEDs to buy, ever concern themselves with how the LEDs look as opposed to the technical specifications?

MR. SNADER: Objection to form.

THE WITNESS: No, they don't.

Q (BY MS. PARKER): Do you have experience

purchasing Seoul Semiconductor's 902 series LED?

A Yes, I do.

Q What experience do you have with the 902 series LED?

A By "experience," could you -- what would you mean?

Q Well, have you considered purchasing Seoul Semiconductor's 902 series LED?

A Yes, of course.

Q Have you recommended that the 902 series be used in NAMOTEK's BLUs?

A Although I didn't actually submit a formal -- I didn't necessarily submit a formal recommendation.

INTERPRETER KIM: "Formal written recommendation," sorry.

Q (BY MS. PARKER): Do you know whether NAMOTEK has ever purchased Seoul Semiconductor's 902 series LED?

A Yes, I do.

Q And how did that come about?

A Well, we came about to purchasing that product because, first off, we liked their price and delivery conditions. And on top of that, their specification regarding the thickness, the luminous intensity, the color coordinates, and the voltage

requirements were satisfactory.

Q Before you purchased Seoul Semiconductor's 902 series LEDs, had you purchased other LEDs from Seoul Semiconductor?

A Yes.

Q And why had you purchased Seoul Semiconductor's LEDs?

A Because they have no problems when it comes to the aforementioned factors, including the thickness, the luminous intensity, color coordinates, and voltage requirements, and they have good price and delivery terms.

Q Does NAMOTEK still purchase Seoul's 902 series LED?

A Yes, we do.

Q Do you purchase it in the same quantities as you used to?

MR. SNADER: Objection to form.

THE WITNESS: Well, we buy less than compared to the past.

Q (BY MS. PARKER): Why is that?

A Well, because, first off, our own production has declined, the quantities that we produce has declined, and also, increasingly these days we see a migration towards the case where the LCM manufacturers,

THE WITNESS: Yes.

Q (BY MS. PARKER): What other companies are making similar products?

A Well, I suppose that could include Samsung Electric and Luxpia, although we don't do business with them anymore, and LumiMicro.

Q Where is Samsung Electric located?

A It's located in Korea.

Q What about Luxpia?

A Luxpia and Lumi, they all are located in Korea.

Q Do your customers, the LED manufacturers, ever tell you what features in the LED they care about?

A No.

Q Do your customers, the LED manufacturers, ever tell you that they care about what the LED looks like, that resides in your BLU module?

MR. SNADER: Objection to form.

(Mr. Kim entered the room.)

THE WITNESS: No.

Q (BY MS. PARKER): How many years' experience do you have, purchasing side-view LEDs?

A Well, I'm not in charge of purchasing the side-view LEDs. I'm the one who makes the decision as to what side-view LEDs the team is to purchase.

Q Okay. Well, how many years' experience do you have, making the decision about which side-view LEDs NAMOTEK should purchase?

A So since I started doing that when I first joined the company and -- to present, that would be in excess of three years.

Q During that entire time, have you ever considered the aesthetic appearance of the side-view LED, in making that decision?

MR. SNADER: Objection to form.

THE WITNESS: Well, the thickness and -- the thickness and the location of the leads, those would be the factors that are included in my consideration set. But when it comes to whether a particular LED is pretty or not, that is definitely not -- that is not a factor that I would consider.

Q (BY MS. PARKER): Do you think whether an LED is pretty or not, matters to others who occupy roles similar to yours within the industry?

MR. SNADER: Objection to form.

THE WITNESS: No.

Q (BY MS. PARKER): Have you ever heard anyone in the industry remark that a particular LED is pretty?

A No.

MS. PARKER: Why don't we take a break. I'm

almost done, actually, so, if you give me a few minutes, I'll look through my questions, then we can wrap it up.

MR. SNADER: Absolutely.

THE VIDEOGRAPHER: Let's go off the record. This is end of Tape 2. Off the record at 11:17 a.m.

(Recess from 11:17 a.m. to 11:34 a.m.)

(Mr. Kim left the proceedings.)

THE VIDEOGRAPHER: This will be the start of Tape 3. We are on the record at 11:35 a.m.

Q (BY MS. PARKER): Mr. Kim, does NAMOTEK ever tell its LCD suppliers who NAMOTEK's customers are?

INTERPRETER KIM: LED suppliers?

MS. PARKER: Yes.

THE WITNESS: Can I have the question again?

Q (BY MS. PARKER): Sure. Does NAMOTEK ever tell its LED suppliers who its LCD manufacturer or customers are?

A In general, we wouldn't do that.

Q Does NAMOTEK ever tell Seoul Semiconductor who the LCD manufacturers to whom NAMOTEK sells its BLUs are?

A In general, no.

Q Does NAMOTEK ever tell Seoul Semiconductor where the end product that contains NAMOTEK's BLUs and

Seoul Semiconductor's LEDs will be sold?

A No, we don't.

Q Does NAMOTEK know what countries in which its BLUs and Seoul Semiconductor's LEDs will be sold?

A No, we do not.

Q Does NAMOTEK ever tell Seoul Semiconductor whether the BLUs that contain Seoul's LEDs will be sold in the Korean market or exported abroad?

MR. SNADER: Objection to form.

THE WITNESS: In general, we don't do that.

Q (BY MS. PARKER): So, do your side-view LED suppliers know where NAMOTEK's BLU modules will end up?

MR. SNADER: Objection to form.

THE WITNESS: No, they do not know.

Q (BY MS. PARKER): So, to your knowledge, could Seoul Semiconductor know where the LEDs it sells to NAMOTEK would end up?

MR. SNADER: Objection to form.

THE WITNESS: They would have no idea.

Q (BY MS. PARKER): Does NAMOTEK sell BLUs containing side-view LEDs to any customers in the United States?

A No.

Q Does NAMOTEK sell BLUs containing Seoul's 902 series side-view LEDs to any customers in the United

States?

MR. SNADER: Objection to form.

THE WITNESS: No.

Q (BY MS. PARKER): Before this lawsuit, did you ever pay any attention to the shape of the window in the side-view LED?

MR. SNADER: Objection to form.

THE WITNESS: By "shape of the window," you would mean?

Q (BY MS. PARKER): I'm referring to the recess from which the light emits in the side-view LED. And if you want, you could take a look at specification for the 902 series, Exhibit 160, page 7, and it's this second drawing down.

MR. SNADER: Objection to form.

THE WITNESS: No, I did not think it important.

MS. PARKER: Okay. I have no other questions right now.

MR. SNADER: Okay. Thank you.

EXAMINATION

Q (BY MR. SNADER): Good afternoon -- or good morning, still, Mr. Kim.

MS. PARKER: It's in the middle of the night for Mr. Snader.

Q (BY MR. SNADER): I know you are very busy,

Q Who are those LED manufacturers?

A Currently, we have four suppliers including Samsung Electrics, Seoul Semiconductor, Nichia, and Toyoda Gosei.

Q Who is the fourth?

A Toyoda Gosei. It's a Japanese manufacturer.

Q Other than Samsung -- strike that.

Other than Samsung Electric, Seoul Semiconductor, Toyoda Gosei, and Nichia, do you have any other current LED suppliers?

A At current, no.

Q Do you currently purchase 902 series LEDs from Seoul Semiconductor?

A Yes.

Q Do you currently purchase 335 series LEDs from Nichia?

A Yes.

Q You said before, that Nichia LEDs tend to be more expensive; is that correct?

A Yes.

Q Are Nichia 335 series LEDs more expensive than Seoul 902 series LEDs?

A Yes, they are more expensive.

Q If Seoul Semiconductor could no longer sell to you 902 series LEDs, would that increase NAMOTEK's

CERTIFICATE

STATE OF HAWAII )
) SS.
CITY AND COUNTY OF HONOLULU )

I, ELSIE TERADA, do hereby certify;

That on April 11, 2007, at 9:14 a.m. appeared before me JEONG-JU KIM, the witness whose deposition is contained herein; that prior to being examined he was by me duly sworn;

That the deposition was taken down by me in machine shorthand and was thereafter reduced to typewritten form under my supervision; that the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matter.

I further certify that I am not attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 16th day of April, 2007, in Honolulu, Hawaii.

_____

ELSIE TERADA, CSR NO. 437
Notary Public, State of Hawaii
My Commission Expires: 4-07-2010